functioning of the stock exchanges and the capital market;

* the Chairman of the Board should not be a practicing broker;

the demutualised stock exchanges should follow the relevant norms of corporate governance applicable to listed companies in particular, the constitution of the audit Committee, standards of financial disclosure and accounting standards, disclosures in the annual reports, disclosures to shareholders and management systems and procedures;

(c) and (d) The Kania Committee report has been approved by the SEBI Board on 29th November, 2002 with a modification that the voting rights of the shares held by the members would be determined by SEBI in consultation with the Government of India. Recommendations of SEBI Board are under examination in Government for necessary legislative changes.

Change in the premium of motor insurance

704. SHRI NANA DESHMUKH: Will the Minister of FINANQE AND COMPANY AFFAIRS be pleased to state:

(a) whether there has been a drastic change in the premium of insurance and of No Claim Bonus (NCB) in case of motor vehicle users;

(b) if so, the details thereof and since when;

(c) whether there is any uniformity between the position prevailing in Government and private general insurance companies in this regard;

(d) if so, the justification and reasons for change over the past practice;

(e) whether the changes would hit hard to the honest motor vehicle users and whether Government have received any representation in this regard; and

(f) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (f) Premium rates and other terms and conditions for motor insurance are regulated by the Tariff Advisory Committee (TAC), Statutory Body

established under the provisions of Insurance Act, 1938 and which functions under the direct charge of Inusrance Regulatory and Development Authority (IRDA). In view of the highly adverse claim experience of the motor portfolio, the TAC had revised the Motor Tariff *w.e.f.* 1.7.2002 based on the recommendations of the Ansari Committee which was constituted by the IRDA with representatives of the transporters, consumers, Insurance Companies etc. However, to protect the interest of the disciplined motor vehicles users, No Claim Bonus (NCB) in the modified form will continue in the new Tariff.

Since motor insurance is underwritten as per Tariff, there is absolute uniformity in underwriting this business between all insurers underwriting general insurance in India.

Floating of IPO by Indraprastha Gas Ltd.

705. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Indraprastha Gas Ltd. is being allowed to fload on IPO with a Rs. 150 crore issue which is more than its current equity base of Rs. 140 crore;

(b) if so, details thereof and the reasons for allowing first utility company to float IPO;

(c) whether it will have any impact on disinvestments in BPCL which has equity participation in IGL;and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) SEBI has informed that M/s Indraprastha Gas Ltd. has not filed any draft offer document with SEBI till date, for making an initial public offering.

Steps to improve foreign investment

706. SHRI R.R GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have taken note of the American Chamber of Commerce Gallup Business Outlook Survey 2002 which brings out that India is losing out as an investment destination;